

22 April 2011

EFRAG WELCOMES EXTENSION OF THE CONVERGENCE DEADLINE

Following the publication of the convergence report by the IASB and FASB yesterday, and the interview between Sir David Tweedie, IASB Chairman, and Leslie Seidman, FASB Chairman, released last week on the IFRS Foundation website, EFRAG highly welcomes the agreement reached on the extension of the convergence deadline to the end of 2011 and the supplementary consultation steps that both Boards have decided to undertake to ensure that the final standards can result in improved financial reporting.

EFRAG in particular appreciates that the IASB and FASB have decided “*to extend the timetable for a few additional months to enable us to check whether our conclusions will last the test of time. We are also mindful of the G20 target, we have been reminded of that many times over the last few years, and we intend to try to finish this convergence programme by end of 2011*”.

Pedro Solbes, Chairman of the EFRAG Supervisory Board, welcomed the decision: “The decisions made by the IASB and FASB today satisfy recommendations that EFRAG has been expressing in various ways and forms for the past six months. I therefore welcome those decisions very much. I wish also to commend both Boards for the significant progress made so far in their convergence programme and hope that such progress will result in the US making a positive and strong decision to adopt IFRS before the end of 2011. For the IASB, such a positive outcome would mean a well-deserved additional success after 10 years dedicated to making IFRS *the* single set of financial reporting standards worldwide”

Françoise Flores, EFRAG Chairman, expressed her support and commented further: “The supplementary consultation steps the IASB and FASB have introduced will help tremendously in the finalisation of the standards on Revenue Recognition, Leases, Insurance Contracts and Financial Instruments. It will give European stakeholders the comfort that their concerns will be properly addressed. I am particularly pleased to note that convergence efforts in the classification and measurement of financial instruments will start in the second half of 2011. EFRAG will remain supportive of both Boards’ efforts and assist them, to the extent feasible, in achieving high quality outcomes”.

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Notes for Editors:

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1. *About EFRAG (www.efrag.org)*

EFRAG, the European Financial Reporting Advisory Group, was set up principally for the purpose of:

- Providing pro-active advice to IASB (the International Accounting Standards Board);
- Advising the European Commission on the acceptability of International Financial Reporting Standards (IFRS) for endorsement for use in Europe in the consolidated accounts of all listed companies;
- Stimulating, coordinating and carrying out proactive accounting activities;
- Advising the European Commission on any resulting changes to be made to the accounting directives and related topics.

2. *Press enquiries*

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